

Community Development

Overview

The 2005 – 2008 Consolidated Plan contains two goals related to community and economic development activities. They are:

- Goal 3: Promote economic growth to enhance viability of low- and moderate-income neighborhoods.
- Goal 4: Prevent decay and deterioration and improve public infrastructure such as community facilities, parks, streets and sidewalks in low income neighborhoods.

The 2008 Consolidated Plan budget for non-housing community and economic development projects amounted to \$5.56 million. These funds supported the following activities:

1. Capital assistance to social services for facilities development, \$555,391
2. Business technical assistance and real estate development (other than Rainier Valley Community Development Fund), \$673,675
3. Rainier Valley Community Development Fund, \$4.33 million

Goal 4: Community and Public Infrastructure Improvements

Due to declining CDBG revenues, the City stopped funding parks improvements with CDBG funds in 2007. Nevertheless, some upgrades funded by CDBG from prior years were completed in calendar year 2008 (see Table 7 below). No other parks projects funded with CDBG remain outstanding.

Table 7: 2008 Annual Accomplishments - Parks Upgrade Program			
Project Title	Project Scope	CDBG Funding	Construction Status
South Park Playfield '06	Installation of ADA paths around existing backstops	\$72,891	Completed
Longfellow Creek Bridge	Installation of new pedestrian bridge	\$55,000	Completed
Plum Tree	New ADA entry, retaining wall, drainage, landscaping	\$104,263	Completed
Spring Street Minipark	Installation of a new play area and other park amenities	\$91,850	Completed

Similarly, the City's Department of Neighborhoods completed the last of its neighborhood improvement projects with CDBG funds allocated in prior years. The completed projects for 2008 are:

Activity	Description	CDBG Allocated
Hiawatha P-Patch Community Garden	Design and build an improved entry area benefiting approximately 40 low income families	\$17,000
Rainier Beach Business District Public Art	Installation of three outdoor works of art to identify the Rainier Beach Business District	\$63,630

The Community Facilities Loan Program provides capital funding to nonprofit social services organizations. It is on track to meet the 2005 – 2008 Consolidated Plan goal of providing funding to 12 agencies over the four-year Plan period, having funded four projects in the 2005 allocations process and five projects from the 2006 – 2007 allocations process. The 2008 – 2009 process, concluding in the first quarter of 2009, will provide funding to five projects, for a four-year total of 14.

The following table (Table 8) summarizes the status of projects underway in 2008.

Table 8: 2008 Community Facilities Accomplishments			
Agency	Description	Year Funded / Amount	Progress in 2008
Asian Counseling & Referral Service	New construction of service center in Rainier Valley	2005 / \$381,000	Completed in the summer of 2008.
SE Health Clinic	HVAC improvements	2005 / 140,000	Installation of rooftop HVAC units completed in spring of 2008.
El Centro de la Raza	Electrical System Upgrade	2006 / \$285,115	Final designs have been completed and the contract bid process was nearing conclusion at the end of the year. Expect work to be done in the Spring of 2009.
Filipino Community Center	Expansion of center	2003 / \$70,000	Completed in May 2008.
Low Income Housing Institute	Urban Rest Stop hygiene center expansion	2003 / \$445,000	Final “punch list” items completed early in 2008.
North Helpline Food Bank	New construction of food bank as part of larger new affordable housing construction project	2006/7 / \$108,609	CDBG funds were used to acquire a condominium interest in a new building and construction is underway.
Northwest Center	ADA improvements to facility providing training to developmentally disabled adults	2007 / \$167,068	Project was completed by the end of the year.
Puget Sound Neighborhood Health Centers	Pike Market Medical Clinic access improvements	2007 / \$136,924	Project underway in 2008 and was near completion at the end of the year.
Shalom Zone	ROOTS Youth Shelter Kitchen and Ventilation	2006 / \$199,500	Project was cancelled by the agency due to inability to work out an acceptable lease with landlord

Goal 3: Promote economic growth to enhance viability of low- and moderate-income neighborhoods.

The Seattle Office of Economic Development (OED) takes a multi-pronged approach to support community economic development by a) targeting high-priority geographic areas in need of public investments and attention; b) investing in projects that will catalyze economic revitalization; and c) working to preserve affordability and ethnic vitality in neighborhoods. The following table shows OED's key accomplishments under the Economic and Community Development goals.

Table 9: 2008 Economic Development Accomplishments:				
Strategy Area	2008 Strategies	2008 Goal	Actual	Comment
Economic & Real Estate Development	Invest Section 108 and float loan funds in catalytic real estate projects that benefit low and moderate income individuals and neighborhoods.	1 Loan	1 loan disbursed for a total of \$2 million.	The total public benefit achieved upon completion of the project is the rehabilitation of 26,000 square feet of commercial space and the creation of at least 41 new permanent jobs.
Neighborhood and Business District Revitalization	Revitalize targeted business districts serving low-income neighborhoods in partnership with Impact Capital and local community development corporations (CDCs)	Invest in the revitalization efforts of up to 6 CDCs	Invested \$659,000 in 7 CDCs and Impact Capital	Multi-year action plans were developed for 8 commercial corridors including: King Street in the Chinatown / International District, Jackson Street in the Central Area, 12 th Avenue in Capitol Hill, North Rainier, Rainier Beach, MLK and Othello, White Center, and the Brandon Note in Delridge.
	Rainier Valley Community Development Fund: (1) Provide payments to supplement mitigation available to businesses affected by light rail construction along Martin Luther King, Jr. Way.	60 businesses assisted	73 businesses received \$2.9 million	178 businesses have received over \$15 million in payments over the life of this program.

	(2) Provide loans and grants to promote business and real estate development and job creation in the Rainier Valley.	7 loans approved for \$3.7 million	4 loans disbursed for \$3 million. One additional loan approved for \$900,000 – will be disbursed in 2009.	The business loans are expected to create and retain 10 jobs. The real estate loan will support a new facility to provide services to low income families facing homelessness.
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Neighborhoods and Commercial District Revitalization

Neighborhood commercial districts create jobs for residents, act as incubators for small businesses and centralize access to goods, services, and transit for the local market. OED focuses on revitalizing business districts serving low-income communities to address the range of physical and economic conditions that can improve the quality of life and opportunities for residents and businesses. When several activities are concentrated in a focused geographic area, they can leverage and reinforce one another to create a more significant impact.

OED works with Impact Capital and community development corporations (CDCs) as key partners to develop and implement revitalization strategies. In 2008, the CDCs developed multi-year plans for eight commercial corridors that complement and build on existing neighborhood plans and include strategies for implementing projects and improvements desired by the community. The strategies include a range of activities and efforts such as supporting local businesses, attracting new businesses that provide desired services, improving the appearance and cleanliness of the district, developing affordable housing and commercial space, and building the capacity of local business organizations. The plans were developed for:

- King Street in the Chinatown / International District
- Jackson Street in the Central Area
- 12th Avenue in Capitol Hill
- North Rainier Avenue
- Rainier Beach
- MLK at the Othello Light Rail Station
- White Center
- Brandon Node in Delridge

Economic and Real Estate Development

OED invests in projects that are vital to preserving and creating affordable housing, providing access to services, creating job opportunities, and promoting growth and development in high-priority communities. OED uses CDBG float and Section 108 loans to provide gap funding that enables communities to benefit from catalyst developments that the market forces alone would leave “underdeveloped” or create less desirable lower-level development.

In 2008, OED provided \$2 million in Section 108 loan funds and federal brownfields grant funds for rehabilitation of the Bush Hotel in the International District. The City’s investment leveraged over \$6.5 million in additional private investment and will result in the rehabilitation of 26,000 square feet of commercial space and the creation of at least 41 new permanent jobs.

The City Council also approved two loans that will be disbursed in 2009: a \$2.15 million Section 108 loan to SouthEast Effective Development, which will finance the redevelopment of the former Chubby and Tubby hardware store / warehouse; and a \$3,785,000 Section 108 loan to Alpha Cine, financing that private company’s acquisition of its new manufacturing facility in southeast Seattle and refinancing prior debt.

Rainier Valley Community Development Fund (RVCDF)

In 2008, the City continued to focus on revitalization of the Rainier Valley in Southeast Seattle. OED is managing the City’s significant investment in the community, including support of the Rainier Valley Community Development Fund (RVCDF). The RVCDF is a community-controlled financial institution dedicated to the preservation and strengthening of cultural diversity, long-term livability, and economic opportunity for Rainier Valley residents, business and institutions.

Since its inception, the RVCDF has been supporting the survival of small businesses affected by construction of the light rail project along Martin Luther King Jr. Way South. In particular, the RVCDF provided payments to businesses to mitigate direct impacts caused by construction. These payments were based on actual revenues lost and supplemented payments that were provided by Sound Transit. In 2008, the RVCDF disbursed more than \$2.9 million to 73 impacted businesses. In total, the RVCDF has disbursed over \$15 million to assist 178 businesses impacted by light rail development along Martin Luther King Jr. Way. Light rail construction on MLK Jr. Way is finished and the mitigation program ended in 2008.

The RVCDF’s second line of business is its Community Development Program, which is a community-controlled revolving loan fund created to support business and real estate development throughout the Rainier Valley. In 2008, the RVCDF developed a new loan feature to allow business owners with religious restrictions on borrowing to access credit. The loans provided were:

- Universal Transport and Translation – a business owner severely impacted by light rail construction started a new transportation service and expanded with this loan.

- Kate Quinn Organics – a small clothing designer and manufacturer located in Hillman City that sells worldwide and wants to launch a new line.
- Filipino Community – purchased a house adjacent to the Filipino Community Center to relocate its senior programs. This will allow FCC to expand its hall rental revenues.
- Family Services of King County’s Rotary Center for Families – RVCDF provided \$2.34 million to support this new project in North Rainier.

Anti-Poverty Strategy and Support for Vulnerable Populations

As described in the City’s 2005-2008 *Consolidated Plan*, the City continues to support a wide range of services and programs designed to result in the following goals for Seattle communities and residents:

Help Seattle’s Children

The City of Seattle continues to support a number of programs that offer positive support and increase opportunities for children from poverty-level families. Examples over the past year include:

- Early Learning Network: This network in southeast and southwest Seattle involves the collaboration of the City with Seattle Public Schools and other agencies to ensure that children develop the skills for kindergarten and long-term success in school.
- Early Childhood Education and Assistance Program: Provides preschool education that helps children from families whose income is below 110% of the federal poverty line to be prepared for school
- Seattle Youth Employment Program: For more than 25 years the Seattle Human Services Department (HSD) has operated this year-round academic support and job training program for up to 400 youth ages 14-21. It helps participants graduate from high school, move on to college or trade school, and develops skills needed for apprenticeships or jobs in high-demand fields such as health care and technology.
- Support services for homeless families, children, and youth: HSD funds services that focus on finding safe and secure housing for homeless young people whose many challenges can include a lack of stable housing, hunger, street violence and violence in their family home, isolation from family and community members, substance abuse, health and mental health issues, pregnancy, prostitution, lack of educational opportunities and job skills, racism and homophobia. Shelters specifically designed for whole families or for women and their children are also supported with City and CDBG dollars.
- Summer Food Service Program: Provides nutritious breakfast, lunch, and snacks in low income neighborhoods for children who qualify for free and reduced lunches.
- Upward Bound: This program prepares high school students for higher education. The program’s goal is to give students the knowledge, skills and motivation necessary to earn a two- or four-year college or technical degree by supporting academic

achievement, goal setting, career exploration, and helping students choose what they want to study and what college to attend. Each year, 85 9th through 12th graders from five Seattle public schools participate in the Upward Bound program run by HSD

Increase Family Incomes

The City promotes strategies that boost the incomes of the poor and build skills that lead to livable wage jobs:

PeoplePoint: Bridge to Benefits is an initiative developed by the City, aimed at increasing the economic stability of low- and moderate-income families by connecting them with available public benefits to help them be more financially stable. This effort provides access to Child Care subsidies and Free Preschool, Food Assistance, Health Care, Energy/Utility Assistance, Earned Income Tax Credit, Seattle Jobs Initiative and Bank on Seattle-King County. The PeoplePoint model is a system of “one-stop” access that reaches clients where they live, work and obtain services, eliminating unnecessary barriers to access.

In 2008, the PeoplePoint team implemented the following strategies to maximize effectiveness and achieve the best results:

- Documented important “out of program” applications and enrollments to show additional assistance to families and individuals that may not have otherwise been utilized. This resulted in **2,454 applications with an estimated annual value of \$2,484,330 for these households.**
- Expanded access to PeoplePoint programs through:
 - Increased availability at City of Seattle Neighborhood Service Centers, WorkSource Centers, EITC tax site at the Downtown Library, and the PorchLight office.
 - Participated in the implementation of the Seattle King-County Asset Building Collaborative Working Benefits and pilot projects ready for implementation in 2008 connecting workers of five employers with various benefits and asset building services.
 - Added the Seattle Public Utilities Emergency Assistance Program and Bank on Seattle-King County to the PeoplePoint suite of benefits.

As a result, **22,656** people were contacted about eligibility for PeoplePoint benefit programs, **7,958 applications were initiated, 5,861 program enrollments were documented and Seattle residents received \$8,598,000 in additional income or assistance.**

Increase Access to and Maintain Affordable Housing

Preservation of existing affordable housing and creation of new affordable housing are critical to addressing affordable housing needs in Seattle and are vital parts of the Ten-Year Plan to End Homelessness. Many of the strategies described in the Housing Strategic Plan chapter of the

2005 – 2008 Consolidated Plan and the 2008 Consolidated Plan Update specifically relate to affordable housing preservation and development. Key funding sources for these efforts are the 2002 – 2009 Seattle Housing Levy, providing \$86 million. Also, CDBG and HOME funds combined to provide over \$8 million in 2008.